

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

K

W-01751A
Katherine Resort Water Company
6126 Chrismark Ave.
San Diego CA 921203706

RECEIVED

APR 06 2005

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
----	----	------

FOR COMMISSION USE

ANN04	04
-------	----

COMPANY INFORMATION

Company Name (Business Name) <u>Katherine Resort Water Company</u>		
Mailing Address <u>6126 Chrismark Ave</u>		
<u>San Diego</u> (City)	<u>CA</u> (State)	<u>92120-3706</u> (Zip)
<u>619.286.0178</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address _____		
_____ (City)	_____ (State)	_____ (Zip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Rick Pierce</u>		<u>ON SITE MANAGER</u>	
_____ (Name)	_____ (Title)		
<u>3210 Katherine Dr</u> (Street)	<u>Bullhead City</u> (City)	<u>AZ</u> (State)	<u>86429</u> (Zip)
<u>928 754 3226</u> Telephone No. (Include Area Code)	<u>928 754 3226</u> Fax No. (Include Area Code)	<u>949 412 6979</u> Pager/Cell No. (Include Area Code)	
Email Address <u>marinade@maui-licious.com</u>			
On Site Manager: <u>Richard Leonard</u>			
_____ (Name)			
<u>3270 Katherine Dr</u> (Street)	<u>Bullhead City</u> (City)	<u>AZ</u> (State)	<u>86429</u> (Zip)
<u>928 754 1656</u> Telephone No. (Include Area Code)	<u>928 754 1656</u> Fax No. (Include Area Code)	<u> </u> Pager/Cell No. (Include Area Code)	
Email Address _____			

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: C. ED Schuetz
(Name)
6126 Chrismark Ave San Diego CA 92120
(Street) (City) (State) (Zip)
619 286 0178
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)
Attorney: Only as needed
(Name)
(Street) (City) (State) (Zip)
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input checked="" type="checkbox"/> Other (Describe) <u>Corporate subsidiary DBA</u>	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input checked="" type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME

Katherine Resort Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	4,000 ⁰⁰		4000
304	Structures and Improvements	11,009	7156	3853
307	Wells and Springs	766	498	268
311	Pumping Equipment	40772	26502	14270
320	Water Treatment Equipment	4426	2877	1549
330	Distribution Reservoirs and Standpipes	25668	16684	8984
331	Transmission and Distribution Mains	7190	4674	2516
333	Services	1665	1082	583
334	Meters and Meter Installations	9825	6386	3439
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	200	130	70
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	105521	65989	39532

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Katherine Resort Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR 2004

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	0	0	0
302	Franchises	0	0	0
303	Land and Land Rights	4000	0	0
304	Structures and Improvements	11009	3.33	363
307	Wells and Springs	766	3.33	25
311	Pumping Equipment	40772	12.5	5097
320	Water Treatment Equipment	4426	20.00	885
330	Distribution Reservoirs and Standpipes	25668	2.22	570
331	Transmission and Distribution Mains	7190	2.00	144
333	Services	1665	3.33	55
334	Meters and Meter Installations	9825	8.33	818
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	200	6.67	13
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	105 521		7970

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

COMPANY NAME

Katherine Resort Water Company

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ (89.26)	\$ 504.90
134	Working Funds	0	0
135	Temporary Cash Investments	(2 500.00)	0
141	Customer Accounts Receivable	985.37	0
146	Notes/Receivables from Associated Companies	2 500.00	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 896.11	\$ 504.90
	FIXED ASSETS		
101	Utility Plant in Service	\$ 44 608.00	\$ 39 532
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation - Utility Plant	60 913.00	65 989
121	Non-Utility Property	0	
122	Accumulated Depreciation - Non Utility	0	
	TOTAL FIXED ASSETS	\$ 10 552.1	\$ 10 552.1
	TOTAL ASSETS	\$ 10 641.7	\$ 10 602.6

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Katherine Resort Water Company

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 929	\$
232	Notes Payable (Current Portion)	92000	1000
234	Notes/Accounts Payable to Associated Companies	0	
235	Customer Deposits	25	
236	Accrued Taxes	0	
237	Accrued Interest	11040	
241	Miscellaneous Current and Accrued Liabilities	0	
	TOTAL CURRENT LIABILITIES	\$ 103994	\$ 1000
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 92000	\$ 92000
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$ 11040
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$ 11040
	TOTAL LIABILITIES	\$ 103994	\$ 104040
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	2423	19860
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 2423	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 106417	\$ 106026

COMPANY NAME Katherine Resort water company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 14071	\$ 13466
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	0
	TOTAL REVENUES	\$ 14071	\$ 13466
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 6700	\$ 0
610	Purchased Water	525	0
615	Purchased Power	1263	1472
618	Chemicals	600	1770
620	Repairs and Maintenance	3025	1389
621	Office Supplies and Expense		0
630	Outside Services	720	1735
635	Water Testing	1847	2443
641	Rents	1200	0
650	Transportation Expenses	0	0
657	Insurance - General Liability	0	0
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense - Rate Case	250	0
675	Miscellaneous Expense	1052	429
403	Depreciation Expense	5000	7970
408	Taxes Other Than Income	704	911
408.11	Property Taxes	798	736
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 22684	\$ 18855
	OPERATING INCOME/(LOSS)	\$ (8613)	\$ (5389)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$
421	Non-Utility Income	0	
426	Miscellaneous Non-Utility Expenses	0	
427	Interest Expense	6000	11040
	TOTAL OTHER INCOME/(EXPENSE)	\$ 6000	\$ (11040)
	NET INCOME/(LOSS)	\$ (14613)	\$ (16429)

COMPANY NAME	Katherine Resort Water Company
--------------	--------------------------------

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1992	1992		
Source of Loan	Parent Co	Parent Co.		
ACC Decision No.	NA	NA		
Reason for Loan	Install Plant	And Tanks		
Dollar Amount Issued	\$ 60000	\$ 41000	\$	\$
Amount Outstanding	\$ 60000	\$ 41000	\$	\$
Date of Maturity	2021	2022		
Interest Rate	6 %	6 %	%	%
Current Year Interest	\$ Int Waived	\$ Int waived	\$	\$
Current Year Principle	\$ 60000	\$ 41000	\$	\$

Meter Deposit Balance at Test Year End

\$ 0

Meter Deposits Refunded During the Test Year

\$ 0

COMPANY NAME Katherine Resort Water Company

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
08.018	20	100	450	10	3/4	1900
08.018	20	100	450	16	5/8	1900

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
3	2	2	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
18 000	1	6 000	1

COMPANY NAME Katherine Resort Water Company

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	Transite	300
3	Transite	310
4	Transite	1680
5		
6		
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	40
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:
Chlorine treatment system owned by company

STRUCTURES:
Chlorine equipment housed in fiber glass enclosure owned by water company

OTHER:
Sun Roofs over elet. power boxes owned by company

COMPANY NAME:

Katherine Resort Water Company

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	40	Not avail	not avail
FEBRUARY	40	Not avail	not avail
MARCH	40	Not avail	not avail
APRIL	40	Not avail	Not avail
MAY	40	Not avail	not avail
JUNE	40	Not avail	not avail
JULY	41	Not avail	not avail
AUGUST	41	200950	not avail
SEPTEMBER	41	261950	368200
OCTOBER	41	226399	283500
NOVEMBER	41	142301	162500
DECEMBER	41	159120	190000
TOTAL		NA	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☐ Yes☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. #1 = .005 mg/l
 (If more than one well, please list each separately.) #2 = .005

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Katherine Resort Water Co. YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 736.

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Katherine Resort Water Company YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability

Reported with the Parent Corp

State Taxable Income Reported
Estimated or Actual State Tax Liability

With the Parent Corp

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

NONE

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

C. E. D. Schuetz
SIGNATURE

3- - 05
DATE

C. E. D. SCHWETZ
PRINTED NAME

Gen Mgr.
TITLE

RECEIVED

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

APR 6 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
NAME (OWNER OR OFFICIAL) TITLE <i>C. E. SCHULTZ Gen Mgr.</i>
COMPANY NAME <i>Katherine Resort Water Co</i>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 13,466.-

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 641.-
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

C. E. Schultz
SIGNATURE OF OWNER OR OFFICIAL
619) 286-0178
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

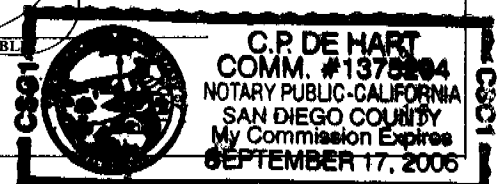
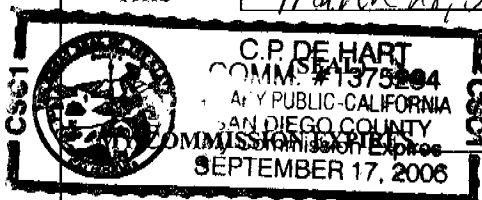
THIS

March 28, 2005

DAY OF

COUNTY NAME <i>San Diego</i>
MONTH <i>March</i>
YEAR <i>2005</i>

SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 6 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
NAME (OWNER OR OFFICIAL) <i>C. E. D. SCHLITZ</i>	TITLE <i>Gen Mgr</i>
COMPANY NAME <i>KATHERINE RESORT WATER CO.</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 13,466.00

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 641.00
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

C. E. D. Schlitz
SIGNATURE OF OWNER OR OFFICIAL
619) 286-0178
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

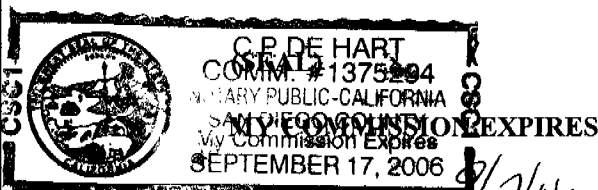
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

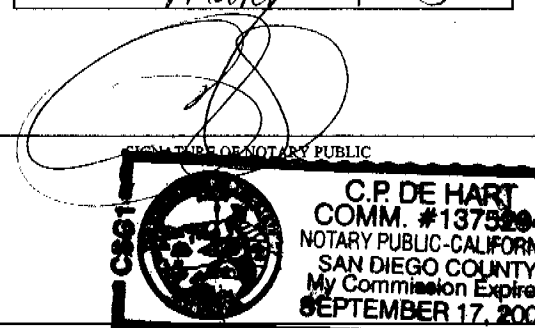
28th

DAY OF

NOTARY PUBLIC NAME <i>C. P. De Hart</i>	
COUNTY NAME <i>San Diego</i>	
MONTH <i>March</i>	YEAR <i>2005</i>



X



FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**